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30 October 1951

**MEMORANDUM FOR THE RECORD**

**SUBJECT: Relation of GSA to CIA Procurement**

OGC HAS REVIEWED.

1. Under the Federal Property and Administrative Services Act of 1949 (P.L. 152), the General Services Administration exercises wide powers in the procurement of supplies and services for the government and in setting procurement practices and policies to be followed by government agencies. From time to time the question arises as to the effect of GSA actions and regulations on CIA.

2. Section 201 (a) (1) of P.L. 152 provides that the Administrator of GSA shall prescribe for executive agencies, policies and methods of procurement and supply of personal property and nonpersonal services. The Secretary of Defense may exempt the National Military Establishment from such action of the Administrator. There is no such exemption for CIA, but Section 502 (d) of P.L. 152 provides that nothing in the act shall impair or affect any authority of CIA.

3. The question was recently raised as to whether CIA, can deviate from mandatory schedules of the Federal Supply Schedule. It appears that the Agency can purchase elsewhere, where necessary because of security or operations. If such necessity is not present, the Supply Schedule should be followed.

4. Title III of P.L. 152 deals with the advertisement and negotiation of contracts by executive agencies. However, this Title is not generally applicable to CIA.

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orig: 606 Federal Property & Admin.  
Services Act of 1949